

**UNAPPROVED MINUTES
CITY OF MILPITAS**

Minutes:	Regular Meeting of Milpitas City Council (Including Joint Meeting with Redevelopment Agency)
Date of Meeting:	January 6, 2004
Time of Meeting:	6:00 p.m. (Closed Session) 7:00 p.m. (Regular Session)
Place of Meeting:	City Hall Council Chambers, 455 E. Calaveras Blvd.

ROLL CALL

Mayor Esteves called to order the regular meeting of the Milpitas City Council at 6:00 p.m. Present were Mayor Esteves, Vice Mayor Dixon, and Councilmembers Gomez, Livengood (arrived 6:05 p.m.), and Polanski.

CLOSED SESSION

Mayor Esteves publicly stated the Council would convene in Closed Session to discuss the following two items listed on the agenda:

1. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
(Pursuant to Government Code Section 54957)
Title: City Manager
2. **CONFERENCE WITH LABOR NEGOTIATOR**
(Pursuant to Government Code Section 54957.6)
Unrepresented Employee: City Manager

Mayor Esteves adjourned the meeting to closed session at 6:01 p.m.

The City Council meeting reconvened at 7:08 p.m. with Mayor Esteves presiding and Vice Mayor Dixon and Councilmembers Gomez, Livengood, and Polanski present.

**CLOSED SESSION
ANNOUNCEMENTS**

There were no Closed Session announcements.

PLEDGE

Members of Troop No. 92 led the Council and audience in the Pledge of Allegiance.

MINUTES

Councilmember Polanski requested an addition to her comments on page 2 of the December 16, 2003, minutes under Announcements, to add: "There has been some mention in the press, especially after the last meeting, no one at the City Attorney's office had been asked for any opinion on the Mayor's term limits prior to last Friday and none that I know of since by either the CAC or a member of the Council." Councilmember Livengood asked for clarification that the comments were made by Councilmember Polanski on December 16, and stated that he didn't have a problem as long as the comments were made at the meeting but he would have a problem if something new were being added. Councilmember Polanski confirmed that she made the remarks at the December 16 meeting.

MOTION to approve the City Council minutes of December 9, 2003, as submitted and December 16, 2003, including joint meeting with the Redevelopment Agency, as amended by Councilmember Polanski.

M/S: Livengood, Gomez.

Ayes: 5

SCHEDULE

Vice Mayor Dixon said she thought a Library Advisory Commission meeting was scheduled for January and on the 29th, she had a meeting of the Santa Clara County Library Joint Powers Authority. Councilmember Livengood said there would be a Library Subcommittee meeting on January 27. Councilmember Polanski noted that the 50th Anniversary Committee would meet at 6:30 p.m. on January 21, a week before the celebration on January 26.

MOTION to approve the Schedule of Meetings for January as amended.

M/S: Gomez, Livengood.

Ayes: 5

PRESENTATIONS

Mayor Esteves presented a Commendation to Angelica Le, Second Place winner in the fifth grade division in the Water Awareness Poster contest. Mayor Esteves invited Angelica's family to join him at the podium for a photograph.

Mayor Esteves presented a Commendation to Emily Dano, Second Place winner in the sixth grade division in the Water Awareness Poster contest. Mayor Esteves invited Emily's family to join him at the podium for a photograph.

Mayor Esteves noted that Third Place winner in the fifth grade division, Aaron Cayabyab, could not be present and his Commendation would be sent to him.

Mayor Esteves read a Proclamation recognizing Traffic Engineer, Arlene DeLeon, on her retirement from the City after 23 years and highlighting her many accomplishments. Mayor Esteves expressed appreciation on behalf of the Council and said she would be greatly missed. Vice Mayor Dixon added a personal note of thanks to Ms. DeLeon, reflected on Ms. DeLeon's diligent work when Vice Mayor Dixon was on the Planning Commission, and said she would really miss Ms. DeLeon on the Bicycle Transportation Advisory Commission.

CITIZENS FORUM

Mayor Esteves invited members of the audience to address the Council on any subject not on the agenda, requesting that remarks, including any visual or technology-assisted presentations of any kind, be limited to two minutes or less, and noted that the City Clerk would be using the timer and when the red light at the podium came on, two minutes would be up.

Mr. Swanson wished everyone a Happy New Year and said he was thinking about the history of India and its prior governance by the English and India's influence on the place value system. Mr. Swanson encouraged parents to pass on to their children belief in this number system.

Debbie Giordano wished everyone a Happy New Year and said that on May 6 the issue of a non-denominational invocation was on the Council agenda and deferred. Ms. Giordano said this was almost eight months ago and asked the Mayor and Council to place this on the next agenda to make a decision. Ms. Giordano further stated taxpayer dollars have already been spent on this issue, it appeared from reviewing the program outline for the January 26th Anniversary Celebration that the policy decision to allow an invocation and a benediction at a City-sponsored event in these Council Chambers had already been made, and now it was time to make it a part of Council meetings. Ms. Giordano asked that God bless the men and women fighting the war on terror, their families, especially the family of Michael Mihalakis, the members of the City's Police Department and Fire Department, the Mayor and members of the City Council, and our home, Milpitas.

Frank DeSmidt, representing the Chamber of Commerce, invited everyone to attend the "Good Morning Milpitas Breakfast" at 7:30 a.m., January 23, 2004, at the Embassy Suites.

ANNOUNCEMENTS

Councilmember Polanski wished everyone a Happy New Year commenting that 2004 should be a very exciting year with the celebration of the City's 50th anniversary; prior to Christmas, the Senior Advisory Commission met and received an update on the new modulars at the temporary Senior Center; she toured the facility with Mark Rogge and the City Manager and was impressed with the space; with Vice Mayor Dixon, she attended the Senior Center's annual New Year's Luncheon; last evening the Parks, Recreation, and Cultural Resources Commission met and Steve Munzel was once again elected Chair and Frances Krommenhock Vice Chair; invited everyone to celebrate the City's 50th Anniversary on January 26th at 7:00 p.m. in the Council Chambers, commenting that the historical book on Milpitas would be unveiled. Councilmember Polanski said she had an opportunity to preview the draft of the book and thought not only the Council but also the citizens will be thrilled with the book.

Vice Mayor Dixon wished everyone a Happy New Year and shared her experience representing the City at the funeral service for Michael Mihalakis, in whose memory the Council would be adjourning tonight's meeting. Vice Mayor Dixon said she had attended many funerals at Cedar Lawn over the years but this particular funeral struck a chord for the over 300 people attending; it was a very emotional service, Michael's parents, Diane and George, typified what is good about this City as a family, Diane did the mural work at Pomeroy Elementary School and Russell Middle School, and the School District was represented, too. Vice Mayor Dixon further stated those of us who are parents could relate to the fact that our young people are dying over there, Michael was a very bright young man who just turned 18, letters he wrote during his seven months over there were read during the service, and the service brought together over 300 people and only a handful of people knew each other. Vice Mayor Dixon said it was a very proud moment for her to share that type and degree of emotion. Vice Mayor Dixon noted that the Council would be adjourning the Council meeting in honor of Michael and, as the Council may remember, a new plaque was being ordered for the Veterans' Memorial site and yesterday, at the Civic Center Subcommittee meeting, she requested that Michael's name be put on the plaque.

Mayor Esteves acknowledged that the Council would be adjourning the meeting in Michael's honor, the flags at City Hall had been lowered to half-mast in his honor, and Michael had brought honor and dignity to Milpitas, to California, and the whole United States.

Mayor Esteves commented on his Sister City trip to the Philippines and thanked the City of Dagupan for the grand reception and accommodations. Mayor Esteves described some of the events including a grand cultural night, a tour of the City's major industry (fishing), meetings with Lions and Rotary Clubs and Knights of Columbus and the possibility of establishing twin relationships, meetings with elected officials, and visits to schools. Mayor Esteves said he was awarded an honorary doctorate in humanities from Dagupan's prestigious Lyceum Northwestern University, he was honored together with the City of Milpitas, and was proud to have represented the City. The Mayor noted that a visit to Milpitas from Dagupan City was expected.

AGENDA

MOTION to approve the agenda as submitted.

M/S: Gomez, Polanski.

Ayes: 5

CONSENT CALENDAR

Mayor Esteves inquired if anyone wished to make any changes to the Consent Calendar. There were no requests.

MOTION to approve the Consent Calendar, items with asterisks on the agenda, as submitted in accordance with the staff recommendations.

M/S: Gomez, Livengood.

Ayes: 5

*1. Appointments/Reappointments

Approved the Mayor's appointments and reappointments as follows:

Community Advisory Commission: Move Craig Ranker from Alternate 2 to Alternate 1 (term expiring January 2005); move Chris Lee from Alternate 3 to Alternate 2 (term expiring January 2006); move Nestor Luna from Alternate 4 to Alternate 3 (term expiring January 2006); and appoint Jenifer Lind to the Alternate 4 position (term expiring January 2005).

Senior Advisory Commission: Appoint Ed Connor to the Alternate 2 position, with a term expiring December 2005.

Telecommunications Commission: Reappoint Niranjana Gupta, Dinesh Gupta, M. Idrees Munir, Vishnu Mathur, and Aaron Ettinger (Alternate No. 2) each to new two-year terms expiring January 2006.

*4.

Waived full reading of the ordinance and adopted Ordinance No. 22.3, amending Title V,

- Ordinance No. 22.3** Chapter 1 of the Milpitas Municipal Code to update the City's Disaster Council and add CitizenCorps.
- *5. Joint Powers Agreement
Bay Area Employee Relations** Adopted Resolution No. 7374 approving the Joint Powers Agreement, with amendments, with the Bay Area Employee Relations Service.
- *6. Hillside Water System
(Project No. 7083)**
 1. Authorized staff to approve the contract change order in the amount of \$329,325.00 to Blocka Construction Inc.
 2. Approved Agreement Amendment with Bay Area Coating Consultant Services in the amount of \$34,000.00, and authorized the City Manager to execute the amendment subject to approval by the City Attorney.
 3. Approved the budget appropriation from the water fund reserves into Project No. 7083 for \$363,325.00.
- *7. GSS Consulting
Various CIP Projects** Authorized the City Manager to execute the Agreement Amendment in the not-to-exceed amount of \$137,795 with GSS Consulting for various CIP Projects, subject to approval as to form by the City Attorney.
- *8. Interim Senior Center
(Project No. 8151)**
 1. Approved plans and specifications for the Interim Senior Center Interior and Kitchen Improvements.
 2. Authorized advertising for construction bid proposals.
- *9. Security Services** Awarded a 6 months contract for security services to Allied Security, Inc., for an amount not to exceed \$ 36,182.39 as recommended by staff.
- *10. Public Works Garment** Awarded bid for garment purchases to the lowest bidder, Century Graphics in the amount of \$27,674.74.
- *11. Miscellaneous Vendors** Approved the following purchase requests:
 1. \$5,476.00 to Medtronic Physio-Control for annual technical service and maintenance support services of portable defibrillators for the Fire Department. (Funds are available from the Fire Department operating budget for these services.)
 2. \$5,306.96 to Target Specialty Products for the purchase selective pre-emergent herbicide that provides control of annual grasses and broadleaf weeds in landscape ornamentals and ground covers for the Landscape Maintenance Division. (Funds are available from the Public Works Department operating budget for this purchase.)

PUBLIC HEARINGS (NONE)

JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

- RA1. CALL TO ORDER** Mayor Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 7:40 p.m.
- RA2. ROLL CALL** Present were Mayor Esteves, Vice Mayor Dixon, and Agency/Councilmembers Gomez, Livengood, and Polanski.
- RA3. MINUTES** MOTION to approve the Redevelopment Agency minutes of December 16, 2003, including joint meeting with the City Council, as submitted.
M/S: Dixon, Polanski. Ayes: 4 Absent: 1 (Livengood)
- RA4. AGENDA** MOTION to approve the Agenda and Consent Calendar as submitted.
M/S: Gomez, Polanski. Ayes: 4 Absent: 1 (Livengood)

Councilmember Livengood was out of his seat when the votes were taken.

RA5.

LIBRARY PROJECT UPDATE

Capital Improvement Program Manager Mark Rogge presented an update on the Library Project reporting that the draft Library Program was presented to the Library Subcommittee on November 25, 2003; the subcommittee requested additional information and provided direction needed to complete the Building Program; and the Library Program was revised and will be presented to the Subcommittee on January 27, 2004. Mr. Rogge reviewed other pre-design work underway including environmental studies and clearance, relocation of the Public Works Corporation Yard, the Underground Utility District, and mapping and site clearance. Mr. Rogge then reviewed the next steps regarding the final Building Program, the architect selection, and design work.

Vice Mayor Dixon said she had already discussed this with Mark and commented on an article in the paper regarding the City of Lafayette Library and Learning Center's collaboration with 12 Bay Area educational and cultural institutions, she had contacted the County Librarian who is doing some research, and she thought this was something that could be incorporated into the early planning stages for the new library.

Mayor Esteves commented that this presentation was in response to a request to have a regular presentation, it was important for the Council to be informed and also important that residents be informed about this project, and all input was welcome.

MOTION to note receipt and file.

M/S: Dixon, Polanski.

Ayes: 5

***RA6.**

**AGREEMENT
HEALTH CLINIC/SENIOR
HOUSING SITE PLANS**

Authorized the Executive Director to enter into an agreement with Hardison, Komatsu, Ivelich & Tucker (HKIT) with the fee not to exceed \$15,000 for the preparation of alternative health clinic/senior housing site plans.

***RA7.**

**CONTRACT
APRAISALS**

Authorized the Executive Director to execute an agreement with Dana Property to prepare the appraisals in an amount not to exceed \$12,000, with the contract subject to approval as to form by the City Attorney.

RA8.

ADJOURNMENT

There being no further Redevelopment Agency business, Mayor Esteves adjourned the Redevelopment Agency meeting at 7:47 p.m.

The City Council meeting continued.

UNFINISHED BUSINESS

2.

**2004 Commissioners'
Recognition**

Public Services Supervisor Jennifer Tagalog reported that staff had surveyed City Commissioners as to their preference for the type of event (dessert social, appetizers, BBQ, sit-down dinner) and the gift (a gift commemorating the City's 50th Anniversary or a 50th Anniversary gift to the City in lieu of individual gifts); the majority of Commissioners voted to have a BBQ Buffet, to forgo an individual gift/plaque, and donate the individual gift/plaque monies towards a group gift to the City for its 50th Anniversary. Ms. Tagalog said that the Commissioners would be presented with a certificate with both the City logo and the 50th Anniversary logo; there was a total of \$15,000 budgeted for this event to include meals, gift/plaque, invitations, certificates/certificate holders, and other necessary supplies; and the food cost was based on an attendance of 225. Ms. Tagalog further stated that staff recommended Armadillo Willy's due to the fact they are reasonably priced and are a well-known quality restaurant, a contribution of \$5,000 towards the purchase of the Cartwheel Sculptures to be displayed near City Hall, and \$1,000 towards a plaque to be displayed near the Cartwheel Sculptures acknowledging the gift from the Commissioners to the City for the Commissioner's Recognition on Friday, July 23, 2004.

Councilmember Livengood inquired if Quincy's BBQ was the only one within the City of Milpitas. Ms. Tagalog responded that was correct. Councilmember Livengood further inquired if Armadillo Willy's was in Santa Clara County. Ms. Tagalog said she believed Armadillo Willy's corporate offices were in Los Gatos and that the food came from a Santa Clara County vendor.

Vice Mayor Dixon commended staff on a job well done, noted that Armadillo Willy's offered a variety, including vegetarian plates, and expressed appreciation to the Commissioners for defraying the cost of the Cartwheel Sculptures Art in lieu of receiving an individual gift/plaque.

Councilmember Polanski commended staff on a job well done in seeing that all Commissioners' input was received and said she felt this was something (the Cartwheel Sculptures) that would be looked to with pride by the Commissioners.

Mayor Esteves, referring to the food options, stated it was not the majority who voted for the BBQ buffet, however, it was the item with the highest number of votes.

MOTION to:

1. Select Armadillo Willy's due to the fact they are reasonably priced and are a well-known quality restaurant.
2. Contribute \$5,000 towards the purchase of the Cartwheel Sculptures Art, which will be displayed near City Hall, and \$1,000 towards a plaque to be displayed near the Cartwheel Sculptures acknowledging the gift from the Commissioners to the City for Commissioner's Recognition on Friday, July 23, 2004.

M/S: Livengood, Polanski.

Ayes: 5

NEW BUSINESS

3. Rental Facility Use Guideline Revisions and Fee Structure for City Hall

City Manager Thomas Wilson reported this item was asking the Council to consider two main topics - combining the City's rental policies into a single source book and the refinement of some of those policies and consideration of a rental structure and fee schedule for the new City Hall; and staff was suggesting that the Council first consider the new proposed rental fee structure for the City Hall, make comments and adjustments as appropriate, and bring it back to the Council at its next meeting in the form of a resolution adopting a fee structure the Council feels is appropriate; and after that item is concluded, consider the Rental Facility Use Guideline Revisions. Mr. Wilson commended and recognized a City employee staff group who worked on the rental fee structure for the City Hall, stating the participants were Gail Blalock, Jennifer Tagalog, Bonnie Greiner, and Kathy Margrave.

City Clerk Gail Blalock, addressing the proposed fee structure for City Hall, stated that the Committee had been struggling with the issue for almost a year, the proposal had gone through many revisions, the goal was to develop a use and fee structure that allowed the building to be shared with the Community, at the same time ensuring that beauty and integrity of City Hall was protected and maintained along with fiscal responsibility. Ms. Blalock stated there had been problems encountered at the old City Hall with some outside groups and it was desired not to have those same problems reoccur; hence, some of the proposed fees and requirements, at first, may seem a little high or unnecessary; and this was the first attempt at a policy for the new building. Ms. Blalock reviewed and highlighted some changes on the one page summary of general rental information for City Hall that the Council received in its packet stating that part of the Committee's goal was to propose a Policy that could easily be contained on one page; the first six paragraphs were consistent with the existing Facility Use Policy for the use of all other City facilities; the Policy included reference to Chapter 100, Title I of the Milpitas Municipal Code regarding the City Hall auditorium, which required use

of the Council Chamber be approved by the City Manager; no changes to the Ordinance were being recommended at this time; the Policy prohibited political fund-raising activities at City Hall, however, it would still be allowed at the Community Center. Ms. Blalock highlighted a change in the last sentence before the actual fee schedule regarding amplified or "live" music in outdoors areas to require a permit making this Policy consistent with the City's ordinance governing amplified and live music in any of the City's parks and would allow music in the outdoor plaza areas with a permit authorized by the City Manager. Ms. Blalock explained that the headings on the columns referred to the priority groupings and "Resident Non-Profits" referred to Priorities 2 and 3, which, in general, included Schools, Chamber of Commerce, local non-profits with 51% or more Milpitas membership and this was a change in that Priority 2 users would now be subject to a deposit and a rental fee for City Hall only; "Resident" heading was the same as Priority 4 users, and "Non-Resident" was the same as Priority 5 users. Ms. Blalock highlighted that the new Policy proposed that rental deposits be collected from all users, which would be fully refundable after the event provided everything was left in good order; the Committee Room rental rate did not include the use of the special electronic equipment in that room; if the equipment was to be used, the Committee proposed an additional \$50 per hour for a Public Information Specialist to operate the equipment, making the rental fee \$87.50 per hour; the Committee felt the reference to "no dinning tables or chairs" was confusing and was recommending it be removed; and the room set-up would be addressed with each application and would be subject to the Fire Marshall's approval.

Ms. Blalock, referencing the Council Chambers, stated the Committee was proposing that the Chambers always require the presence of the equivalent of a Public Information Specialist at \$50 per hour due to the very expensive and highly technical equipment in the room; clarified that the first Amphitheatre Area listed in the Outdoor Areas was the Amphitheatre outside the Community Center; and explained the Plaza area near the flag poles would also include use of the grassy Amphitheatre area. Ms. Blalock apologized for not including in the Council's packets the survey information referenced on the agenda and distributed copies, stating that the Committee tried to contact cities with newer city halls, but were unable to find a city hall comparable to Milpitas; the newer city halls were Hayward and Pittsburg; Pittsburg did not rent out its facilities; Hayward only rents out the Rotunda and pre-function areas; in most cases, the rentals were for non-profit groups and private functions were not allowed; and Fremont, which was not listed, recently remodeled its Council Chambers and no longer allow any outside group to use it.

Mayor Esteves said he felt Hayward's rates were a little more reasonable for the Pre-function Area/Rotunda than what was being proposed for Milpitas. Ms. Blalock explained that the city of Hayward did not allow the use of its Council Chambers and Hayward also had a requirement that the use of the facility must provide cultural, social, recreation, regional, or educational benefit activities for Hayward residents or local businesses. Mayor Esteves said he would like to look further into the rate for resident non-profits (i.e., \$250 per hour) and felt Milpitas' rates should be closer to those published by the city of Hayward; expressed concern that the charges would not be affordable to either residents or non-residents; suggested lowering the rates with the possibility of increasing them later if it was found that facilities were in high demand; wanted to encourage use of the Rotunda; and suggested rates be \$150 per hour for resident/non-profit and \$250 per hour for non-residents. Ms. Blalock commented that this was the Committee's first round of coming up with a proposal and the Committee was looking the Council's input and guidance.

Councilmember Polanski commented that the City Hall and Civic Center areas were wonderful places for the citizens to use and felt it was important to find a way to do it so it doesn't impact the business of the City but still providing an opportunity to utilize the facilities; inquired if the Committee had given any thought to problems like the Committee Room already being double booked with the City's own Commissions, and asked how they would be scheduled for the year. Ms. Blalock responded the regular scheduled meetings for the Committee Room would be blocked out on the schedule and another thing that would help make that room more available was to move some of the current City meetings being held in the Committee Room up to the new 4th floor conference room.

Councilmember Polanski said she agreed with the need for the Public Information Specialist; understood the Mayor's point regarding the Rotunda area being a wonderful place to hold an event; felt the hourly rate could be lowered for the resident/non-profit or charging it as an event rather than hourly; the first priority should be for Milpitas residents/non-profits; and inquired if there had been any discussion about one time events (i.e., the Candidate's Forum put on by the Chamber) where the Public Information Specialist would be the only charge. Ms. Blalock responded this policy would become part of the other facility use policy which contained a fee waiver process to the Council; Priority 1 had not been listed because any City sponsored/associated event would have no charge. City Manager Wilson added the fee waiver process would remain available as it was for all of the City's facilities, anything co-sponsored or associated was without fee, and the fee waiver program would be handled by the Council on an individual case-by-case basis. Councilmember Polanski said she felt the Rotunda area could be looked at with a different fee structure to encourage residents/non-profits to utilize it.

Councilmember Gomez inquired what costs the City incurred for use of the Rotunda or the Council Chambers. Ms. Blalock stated it depended on the size of the event, the number of building maintenance custodians needed; explained that the use of City Hall required someone with a key to monitor where people went within the building and to make sure the building was locked up afterwards and things were cleaned up; the use of technology equipment would be a greater expense as those staff would be on an overtime basis. Councilmember Gomez inquired if cost recovery, comparison, or a mixture of both were being looked at. Ms. Blalock stated that both were being looked at; cost recovery was being looked at so that essentially the City's wasn't paying for somebody to use the facilities; the Committee also looked at booking a meeting at a hotel where there are room charges and charges for every piece of equipment used and was trying to find a middle ground.

Mayor Esteves, referring to insurance, inquired if the City's insurance costs would increase if more people were allowed to use the facility, would the City require some type of insurance coverage from the user, and would the City provide security or would security be required from the user. Ms. Blalock said the insurance would work in the same manner as usage of other City facilities (i.e., the Community Center); the ordinance for the use of City Hall provided, as part of the approval, that the City Manager can require security as part of issuing the permit.

Recreation Services Manager Bonnie Greiner explained that there was a need to provide insurance if the event was open to the public or if alcohol was served; insurance requirements were addressed in the Rental Facilities packet on page 16, which would go hand-in-hand with this. City Manager Wilson, addressing the security, stated there had been occasions where the City had requested security be provided, was at a cost to the user, the City had to approve the type, which the Police Department usually defines. Ms. Greiner, referring to page 17, stated the cost also depended on the event's attendance estimates.

Vice Mayor Dixon said the Council had to have some set guidelines; there may be a resident wanting to take advantage of the staircase and possibly have a short wedding (2-3 hours) and she would like to encourage that type of usage (wedding) of the Rotunda; thought it would be helpful if staff would return with a list of routine uses (the City routinely gets from the Community Center); and inquired if the Rotunda could be used for fund-raising for non-profits. City Manager Wilson responded yes and that the qualification was "political" fund-raising, which was the only restriction on fund raising. Vice Mayor Dixon said it was her desire to see that there was at least cost recovery.

Ms. Greiner commented that currently if the Rotunda, City Hall, and Community Center auditorium were rented at the same time, there would not be enough tables and chairs for both facilities, which would incur additional costs.

City Manager Wilson inquired if the Council would be more comfortable with an event type structure for the Rotunda rather than an hourly. Vice Mayor Dixon said that since this had not

been done before, she would prefer to ease into it. City Manager Wilson proposed bringing back two revisions: An event approach and a revised hourly approach, and said he thought the City would benefit from having something in place and experience the results for approximately one year.

Councilmember Polanski said she envisioned the Rotunda area being used for a reception event rather than a sit-down area.

MOTION to direct staff to incorporate the Council's comments concerning the use of City Hall Facilities and return with a revised fee structure for use of the Rotunda area by residents and resident non-profit groups (reduced hourly rates and include event-based rates).

M/S: Dixon, Polanski.

Ayes: 5

Recreation Services Manager Bonnie Greiner reported that although the document before the Council was large, it was just a draft and staff was proposing just a few changes with the goal of condensing a variety of documents into one document that could be handed out to the public. Ms. Greiner reviewed the proposed changes modifying the language to provide further clarification and consistency, adding the City Hall building plaza and grounds, adding a \$15 processing fee for individuals purchasing additional insurance, and revising the rental cancellation policy and adding a \$50 cancellation fee should staff not be informed of the cancellation or the group not show up for a reservation. Ms. Greiner explained that the proposed fee and policy was consistent with surrounding City cancellation policies and charges. Ms. Greiner, addressing the revisions to the non-profit guidelines, stated the changes were included in an effort to reduce policy and rental abuse from non-profit groups and to reduce staffing costs to the City; a survey of surrounding cities revealed that the majority charge non-profit rates that recover staff costs and in addition, the revisions allow for potential rental revenue for private rentals; one change that staff was proposing was that non-profits, that currently have two free rentals per month, have one free rental per month at the Community Center, Senior Center/Modules, or Adobe; staff was also recommending eliminating the rental of the Community Center Auditorium and the Senior Center Auditorium for free use for non-profits; however, the groups still may apply to have the fee waived by the Council; staff was also recommending that a \$150 deposit be required that would be held on file for the entire year to reduce any necessary charges, damages, or no shows; new verbiage for the Basketball Court rules was contained within the packet; and referring to page 23, Soccer had been added to the August through December priority list; and staff was recommending that the proposed fees go into effect on March 1, 2004. Ms. Greiner further stated that staff would return to the Council for final approval.

Ms. Greiner explained that Recreation Facility and Fees document was included just for the Council's reference, the fees had already been approved and staff was not proposing any changes; and it was for comparison purposes of the Community Center/Auditorium/Sports Center fees to the new City Hall fees.

Mayor Esteves, referring to the cancellation, suggested that even with notice, a \$15 cancellation fee should be required; felt the \$150 deposit was redundant because if there is a cancellation without notice, a \$50 charge would be imposed and suggested that a \$50 deposit be implemented instead of \$150. Mayor Esteves clarified that he was suggesting a \$15 cancellation fee and reducing the deposit to \$50.

City Manager Wilson asked for clarification if the proposal for the \$150 addressed only Priority 1 and Priority 2 Groups. Ms. Greiner clarified that it addressed the non-profit groups.

Mayor Esteves asked if all non-profits would make a deposit of \$150 yearly. Ms. Greiner explained that the \$150 deposit would be kept on retainer all year if they choose to use the facility; if they don't come back the next year and they've had no damages and no cancellations, they would be refunded the \$150 after a year. Mayor Esteves said he thought there should be a \$15 cancellation fee.

Councilmember Polanski, addressing the cancellation fee, referenced trade shows where booth space was used and a cancellation charge was imposed based on the number of days prior to the actual show the cancellation was received and said she would like to see something along that line. Ms. Greiner directed the Council to page 9 of the document, stating that was currently in place to some degree.

Ms. Greiner said staff would clean up the document, look at the cancellation charges and possibly bring those down to a minimum of \$15 with a penalty fee for canceling.

Councilmember Gomez, addressing the late stages of cancellation (i.e., \$150 event), inquired what would actually be paid for by a resident non-profit for the Community Center. Ms. Tagalog directed the Council to item 3.8 D on page 9 where it stated for Priorities II and III, the group would be charged staff costs at the actual cost to the City for the amount of hours reserved. Ms. Tagalog stated the current hourly non-profit rate for the Community Center Auditorium was \$30/hour, based on a three-hour event reservation, \$90 would be subtracted from the \$150 deposit if the group canceled. Councilmember Gomez asked what would they be billed if they didn't show up and if the full amount would be collected. Ms. Greiner responded that currently they are not billed for the full amount. Ms. Tagalog added that it would depend on how long they had the facility reserved.

MOTION to direct staff to come back with the revisions to the cancellation policy and minor revisions to clean up the document for approval at a future Council meeting.

M/S: Polanski, Gomez.

Ayes: 5

ADJOURNMENT

There being no further Council business, Mayor Esteves adjourned the City Council meeting at 8:45 p.m. in memory of Michael Mihalakis, U.S. Soldier and Milpitas High School Graduate killed in Iraq.

Gail Blalock, CMC
City Clerk